



## Around

## Customers

# Everybody

Sells





### Introduction

by Bill Sharp

Welcome to a great learning opportunity. This selling information was originally designed 40 years ago. At that time it was known as **A.C.E.S.**--**A**round **C**ooperatives **E**verybody **S**ells because, at that time, I was Director of Sales Training for a huge farm supply cooperative in the US. The **A.C.E.S.** course evolved into what it is today and along the way became the model for most retail sales training. It has been endorsed by seven major retail industries in the US and Canada and has been used to teach nearly 950,000 retail salespeople the skills of superior customer service.

In the past 40 years, changes in the way products are bought and sold have been dramatic...thus the changes in this training program.

It would be easy to believe that <u>all</u> customers only want lowest price, don't really care about the service they receive. And, it is true that <u>some do care only about price</u>. However, as you will learn in this training program, 80% of your customers want attentive salespeople who help them decide what to buy.

Sometimes customers don't know exactly what is done in stores which give "good service", but they know they like it...and go back.

In this training program, we will discuss every step of retail selling and give you easy things to do to be more effective.

Selling is an applied behavioral science. With practice and work, you can become the kind of person to whom customers like to talk...and from whom they buy.

If you are studying this program as part of a training assignment, the program has been divided into many short learning lessons. If others in your store are also studying these training modules, **share examples**, **ask questions and**, **in general**, **expand to your learning**.

Most importantly, **get what you want from the course**. If you have a sales related problem which is not being discussed in one of the sessions, ask your manager or send your question to the association office. If they don't have an answer for you, they will send it on to me.

The information "really works" if you try it shortly after you've learned it.

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## About Selling...And You

As a retail salesperson, you are part of the single most important process in the nation's economy...helping consumers purchase goods and services. More than forty years ago, the Managing Editor of Parade Magazine, Red Motley, coined a phase often quoted in sales meetings... "Nothing Happens Until Somebody Sells Something." It was, and still is, a very inspirational speech about how the selling of anything from a handful of nails, a lipstick, pet product, an airplane creates a wave of activity and jobs for hundreds of people.

Maybe it's enjoyable for you to think that someone, someplace dug or cut the raw materials; another someone worked in a factory to make the thing you sold and packed it in a box; someone else drove a truck to get it to a warehouse, etc. etc. Lots of people have a job because you are there on the front line helping customers decide to buy the thing.

On the other hand, you might say, "Actually, I wish I knew who some of those other people are when I have a customer in my face, telling me what a piece of junk a thing they are returning is."

Most every day retail selling is tiring work. Most every day there are a few customes who test the limits of your patience. But, there are plenty of hours in a week or month when it is just plain fun. Regardless of whether you live in a major city or small town, there will be the "regular" or "steady" customers whom you like to see...and they like to see you. They appreciate your advice and count on you to be fair and honest with them.

You are part of a heritage. For as long as there have been products to sell, there have been retail sales people. With each new generation, the role the sales person plays and the expectations of customers change. However, one thing remains. Like it or not, think about it or not, you are the final linking pin in a long chain of people and work to have products on your shelves ready for someone to buy.

#### THE EVOLUTION OF "GOOD SERVICE"

Let's look at how the job you do has changed and what the changes mean to you.

Until about the middle of the last century, the person who sold a product was often the same one who made it. With the industrial revolution came the dividing of work...each person played a smaller but more specialized part.

By the beginning of the 1900's organized training of retail salespeople was underway. "Clerks" were taught to "attend to" a customer. Go get products and bring them to the waiting customer. Take customers' money and make change.

Grocery orders could be phoned to the store. Someone would shop for customers, pack the groceries and deliver them to customers' homes. Fresh milk was delivered to the back door each morning...in glass bottles. When you pulled into a "service" (gas) station, two or more "attendants" would come out, lift the hood on your engine, and check your oil and water. They would check tire pressure, wash your windows (all around the car)...and, at some stations, vacuum inside.

Depending on your age, you might enjoy the stories a parent or grandparent can tell you about "good service." Interestingly, that kind of service still exists today, but only in a few places...and customers willingly pay plenty for it. Want to see it? Go to a KEG Restaurant, Disneyland, High Tea at the Empress Hotel, fly Southwest Airlines or stay at the Kicking Horse Lodge in Field, BC. You can probably name some places where service is just awesome. By any chance, is one of the places where customer service is outstanding the place where you work?

Good is good whether there is a lot of brass and glass or it's plain vanilla. You know it when you see it...and, today, it almost always surprises you.

Service like grandma remembers didn't just wither up and die. It was removed. Customers changed after the Great Depression (the 1930's). Buying for less seemed more important than getting lots of personal attention. Stores looked for ways to reduce the price of things they sold. There wasn't much they could do to reduce the cost of the product, so the best place to cut cost was reducing the amount of money paid to "clerks." Fewer sales people, more signs, better information on the boxes...costs came down...and so did service.

In the past thirty plus years, big discount stores and fast food restaurants taught customers a new definition of "service." Service now means: Someone at the front door saying, "Hi welcome to..." Service means: Smile and say, "Can I take your order?"

Customers now think "friendly" is "good service."

So, customers who come to your store, shop or clinic have a beginning idea that if you don't speak and smile, you don't give good service. However, unless the place where you work charges less that anyone else, speaking and smiling won't be enough. Customers can get that at any "pile 'em high, stack 'em deep" store.

In this training program, you will learn simple, every day things you can do which make a world of difference about how customers feel about you and your place of business... and ultimately where they will spend their money.

#### SO, WHAT'S IN IT FOR YOU

We've talked about what the sale you make might mean to all those nice folks who make and deliver the products you sell, but let's look at what the sale means to the most important person in the chain...YOU!

**Sales generate the money to pay your salary.** We depend on sales for our jobs. Without a constant flow of successfully completed sales, the money to operate the company would stop and our jobs would become unnecessary.

Why do you want to make money? Children, vacations, a new home, luxuries, or retirement? Selling often offers a better opportunity to make money than any other career. About 11% of working families in North America have combined family income of \$50,000 or more per year. Of those, nearly two-thirds have one or both earners in sales careers.

What kind of future do you want? Where do you want to be in five years? Ten years? How much money would you like to be making? What kind of education do you want for your children? The money to buy the things you want can come from sales.

When employees work together to provide good service to customers, sales go up and more money is available to pay future salaries, bonuses and benefits.

Other reasons why selling is an exciting career:

- 1. Selling offers the opportunity to be somewhat self-directed.
- 2. Sales people receive immediate feedback on their work performance.
- 3. Sales people enjoy the variety that comes from dealing with customers. Not all customers are fun, but the variety

#### PUTTING A LITTLE BACK FOR TOMORROW

Sales success is good for the your community. Other people in your community have a job because you have a job. As you spend your paycheck, the money revolves in your community 3 1/2 times (providing jobs for others) before it leaves the area to pay for a product or service bought from outside. When you help people buy products locally, the whole community benefits.

Your company's success is actually good for your customers. What do you suppose would happen if other companies that sell products similar to yours had no competition? Competition keeps prices down and services up for your customers and you.

Finally, **don't forget the owners of the business** where you work. They have invested in the business and in you. Their willingness to invest in products, the workplace and your salary are risks. If you were an investor in a company, you would expect to earn some interest or dividends. The owners of your business deserve a return on their investment in you.

In summary, there are a lot of things to consider about your job as a "sales person."

First, you are a sales person of *some kind* every day you go to work and visit with customers. The goal is to be a sales person who leaves customers thinking, "He/she is pretty darned good! Glad I got him/her to help me."

Second, sales people mostly like helping people get the things they want and need. Be interested in people, and you'll be successful.

Third, the things you want for yourself and your family depend upon steady stream of successfully completed sales. Helping customers is not only good for you; it's good for many others as well.

Did you ever wonder what happens with each \$1.00 worth of merchandise you sell?

## Where Money Goes

It takes this much to pay for the product we sold



This pays salaries and employee benefits



This covers utilities, buildings, equipment, heat, lights, telephones, trucks, etc.



Next is "everything else...advertising, bad debts, real estate taxes, insurance, fees for services like accountants and attorneys



So if we do **EVERYTHING RIGHT** (no unjustified discounts, no material thrown up against the fence in the yard, etc.) how much does the owner get as a return on his investment?

But, more importantly, what do you suppose happens with the left over (profit)?

## Six Steps to Success

hy do you suppose some people are so successful while others fail? Especially when it looked like both had equal chances. Certainly, the economic situation in which people start their lives plays an important part, but many people who started with very little have become successful. Others who started with a great deal ended up with very little. There are hundreds of articles about successful sales people. In general, the thoughts boil down to a few simple principles.

#### What Successful Sales People Do

- 1. Believe in themselves, the companies they work for and the products and services they sell.
- 2. Treat customers like friends.
- 3. Find out what customers want by asking questions and listening to the answers.
- 4. Explain services or products in simple terms customers can understand and remember.
- 5. Answer customers' questions and help them make decisions.
- 6. Thank customers for choosing their store or company.

In this chapter we will focus on the first principle. Believing in yourself, your company and your products or services seems to be the most important of the six items. This poem is inspiring...but it is also true.

If you think you're beaten, you are
If you dare not, you don't
If you'd like to win,
But think you can't
It's almost certain you won't.

If you think you'll lose, you've lost Because out in the world you'll find Success begins with a person's will It is all in the state of mind.

If you think you're defeated, you are You have to think high to rise You've got to be sure of yourself Before you can win the prize.

Life's battles don't always go
To the stronger, more talented man.
But, sooner or later the man who wins
Is the man who thinks he can.

Dr. Norman Vincent Peale

Have you found this to be true in your life? Aren't some of the most successful people in your community or family those who aren't necessarily the "smartest" or "most talented?" In many cases, people succeed because they believe they will.

Conversely, people fail for predictable reasons. **People often fail because they quit too soon (give up)**. Others fail because they spend too much time comparing themselves to others.

There are some things you can do better than others. You can probably think of a number of things you have learned to do by working and practicing. There are probably many things you couldn't do well when you first tried. There may be other things you thought you could never do well...but, you are doing them successfully today.

Have you noticed how some projects can seem insurmountable before you begin? If you don't break the project into smaller steps, it can seem overwhelming. Perhaps you bought a product which required assembly. Maybe you spread out the instructions and parts on a table, looked at them and said, "I'll never be able to do that." If so, you probably folded the instructions, put them in the box and gave up. On the other hand, you may have said, "I can do some of it, maybe not all, but I'll start with the parts I know how to do." You may have been pleasantly surprised when you were able to do the whole job.

Success in selling is like that. You won't become instantly successful. If you break the job into bite-size pieces, you can become successful. But, you must start with the attitude that **you can do something to improve TODAY**. Don't worry about what others can do better.

We tend to compare ourselves with others...often unfavorably. There is always someone who is more attractive, thinner, a better parent, more active in the community or perhaps a more successful sales person. For those who have ever fallen into the trap of comparing themselves unfavorably with someone else, there is a powerful Bible story in Matthew 25: 14-30.

In this story, three people are given talents (In the Bible story, "talent" was a term for money, but the story is just as good if "talent" means skill). One received five, another two, the other only one. Those who did something with their talents were praised. The one who did nothing was severely reprimanded for not trying.

Successful people start with what they have. Soon what they don't have becomes less important...because what they do have is success.

A key first step of success in selling is to know to explain the products you sell. Challenge yourself to learn: (1) skills for presenting your products (2) to describe products in terms customers understand (3) to ask customers to buy from you.

First, learn about the products you sell. Look at merchandise arrangements. If you are assigned to a particular department, ask about the best selling item. Then look at the products positioned closest to the best seller. What items are nearby that customers would see and perhaps ask questions about?

See what literature is available for the products you sell. Use the time you spend each day straightening shelves and rearranging merchandise to look at packages to find out what sales information may be printed on them.

Ask other employees of the store...one of your most valuable resources... the differences between products your store sells and similar products offered by competitors.

It is easy to become a better sales person when you believe in your products. It is simple and straightforward to talk about something in which you believe. **The more you know, the easier it becomes!** 

If you want to get excited about your products, learn about them...try them yourself. Have you ever heard sales people talk about products they personally own and like? If so, you probably noticed it was easy for them to describe the products in exciting terms.

There is nothing more exciting in life than being successful...successful as a worker, successful as a marriage partner, successful as a parent. Success, however, always begins with you and not with the circumstances in which you find yourself.

Start thinking about all the things that make you a valuable person. Decide what things you want to learn to do better and set up a plan to start learning those things. The skills of this course are worthless unless you apply them.

We have a little saying we think you should read periodically. It goes like this:

#### Sharp's LAWS OF CHANGE

- 1. Things that do not change...tend to remain the same. Reading a book or attending a seminar is only as helpful as the skills you actually use after learning them. Pick an idea from this book to actually try.
- 2. You can change without improving, but you can't improve without changing. Not everything you try works, but don't let that be an excuse for not trying anything. You will never be any better than you are right now...until you change something to get better.
- **3. Change is inevitable...growth is optional.** Selling and customers continue to change every day. Change will happen. If you also change and adapt, you worth will continue to grow.

Chances are you will be no better dealing with customers at the end of this program than you are now...unless you choose some specific things, at the conclusion of this course, that you would be willing to change and/or adapt to make yourself more skilled at helping customers.

## **Understanding Your Company**

nother part of the first step to success is believing in your company and the products you sell. You might find it interesting to study the history of you company. How did it start? What were some of the key factors that caused it to grow?

It may also be interesting...and useful...to study the differences between your company and others which provide similar services or products. Who are your competitors? What do they supply? What are the key differences between them and your own company?

Ask co-workers to tell you as much as they can about things that make your company unique. Ask what customers

most often talk about when they come to your store. What is the best selling product in your store? Name three major events that moved the original company to what it is today. 2. What is one line of products important to your store when it first started that it no longer sells? Has your store always been in the same location? If not, where was it in the past? In what industry does your company fit? Do people in your community consider your business "the best in town"? Who are your major competitors?

| What company supplies your main line of products? Name three major advantages to your company for buying from this supplier or manufacturer. |
|----------------------------------------------------------------------------------------------------------------------------------------------|
| Main supplier                                                                                                                                |
| l                                                                                                                                            |
| )                                                                                                                                            |
| 3                                                                                                                                            |
| Name three ways in which customers benefit from buying from your company instead of your competitors.                                        |
| l                                                                                                                                            |
| 2                                                                                                                                            |
| 3.                                                                                                                                           |

## **Greeting Customers**

ustomers come in all sizes, shapes and ages. We'll discuss various kinds of customers in a later chapter, but for now, there is one concept that applies to virtually every customer. "The first twenty seconds a customer is in your store or department can often be more important than the next ten minutes."

Does that seem a little strong? Perhaps not... if you have been ignored or treated rudely by sales people in stores where you shop.

You can set the stage for pleasant sales encounters with customers in a matter of seconds. You can also set the stage for unhappy and tense discussions.

Making customers feel welcome is not complicated, but don't get an incorrect idea of what you need to do. We're not recommending a "glad hand" or "swarm 'em" approach...like you may have experienced at automobile dealerships.

It is not necessary to plaster a huge grin on your face, run across the sales floor, pump customers' hands, slap them on the back, tell them how fine they look and ask them how things are going. You wouldn't want to be treated that way and your customers don't either.

What both you and your customers want is the simply courtesy of an offer of assistance.

## Why You Lose Customers:

**61%** drift away because of **perceived indifference** by sales people.

14% leave because they had an unresolved complaint or problem.

17% started shopping elsewhere for **lower prices**.

**4%** do business with **friends**, relatives or close acquaintances.

3% move away from the community.

1% die.

Rockefeller Foundation

We said in the first chapter of this book that the way in which customers define "good service" has been changing throughout the 1900's, but it underwent major change when discount stores put Grandma and Grandpa at the front door with big grins. Fast food places put a whole line of smiling teenagers behind the order counter saying, "May I take your order?"

So, what's a company like yours to do? Just make sure customers don't get irritated before you've had a chance to help them. That seems to be the single biggest reason some of your customers have not come back to buy from you. Here are the statistics on **why customers stop shopping** at businesses like yours.

If your store is large, perhaps customers have been spoken to several times already...perhaps not. For now, don't worry about what to say. The key is to never make customers do unnecessary work to do business with you after they enter the store. Once, they are on your turf, it's your job to SPEAK FIRST.

Almost two out of three customers are lost because employees didn't <u>seem</u> to care???!!!! As it turns out, about the most important rule you can remember is...<u>SPEAK FIRST</u>. Customers have already done their part by the time you see them. They have driven to the store, parked their cars and schlepped themselves in. If even one customer has to say, "Excuse me. Could you tell me \_\_\_\_\_." you lost! You job is to <u>SPEAK FIRST</u>.

Remember it as the **20/20 Rule**. In general, no customer should wait more than 20 seconds nor walk more than 20 feet into a department area where an employee is working before being recognized. "Recognized" can include a wave, nod or smile if you're with another customer.

That's the base line for **all customers**, but what about your "regular" or "steady" customers? Imagine these special customers entering with signs hanging around their necks reading

"MMFI."

The letters stand for "  $\underline{M}$  ake  $\underline{M}$  e  $\underline{F}$  eel  $\underline{I}$  mportant."

We feel sure you've made special customers feel important. In the space below, write some things you say or do to make customers know you remember them or their purchases...perhaps know something about their lives or families:

When you make friendly statements to customers, you're establishing rapport... "breaking the ice." This allows customers to begin telling you what they want. Rapport can be initiated by simply saying, "Hello" or "Good to see ya" or "You look like you're searching for something."

You may have something nice and/or personal to say to "regular" customers, but you certainly won't know all customers on a personal basis. Ways to create rapport with customers you don't know all that well might include saying:

#### "Gee, isn't it a beautiful day?"

"Really is wet out there, isn't it?"

"By golly, you look happy today!"

"What a pretty dress." (Commenting about a child whom her parent is accompanying)

Customers like to be noticed and hear friendly comments. It sets the stage for a more open discussion.

Another part of greeting customers is to smile. Smiling is a relatively easy thing to do. It takes only 17 muscles to smile, but 62 to frown. We're not suggesting a silly, phony smile. A genuine smile is a simple, but powerful way of saying, "Good to see you... I'm ready to help you...today is going pretty well."

Even the nicest words and most professional questions can sometimes sound unfriendly to customers when not accompanied with a smile. Test it. Stand in front of a mirror, fold your arms and, without a smile, say, "How may I help you today?" Without a smile, customers may feel you don't want to help them at all and are only asking because you have to.

To really get things off to a good start by **asking intelligent questions**. Questions customers sometimes hear that are not very good include:

"May I help you?"
"Find what you need?"
"Need some help?"
"Looking for something?"
"Whatcha lookin' for?"
"What can I do you out of?"

The most frequently asked question is: "May I help you?" Unfortunately, it is a not an intelligent question. The question really has only two answers... "Yes" or "No." Customers who have had bad experiences with pushy sales people know that saying, "Yes" brings more questions. That is why customers so often say, "No, I'm just looking."

You can turn "May I help you?" into an **intelligent** selling question by adding one word--"**HOW** may I help you?" Now the question cannot be answered "Yes" or "No." Customers frequently will engage in a dialog with you.

None of the questions on the above list is actually a bad question provided you match them with familiar ("regular") customers. However, it is natural to form behavioral habits. If you say, "May I help you?" often enough, soon you'll be saying it to everyone.

With familiar customers, use any question with which you are comfortable. For unfamiliar customers, here are two low tech but **intelligent** questions:

"How may I help you?"

"What can we do for you today?"

Neither of these can be answered "Yes" or "No," and they imply your willingness to help.

#### REMEMBERING CUSTOMERS' NAMES

The final step in making customers feel welcome in your store is to **learn and use customer's names when appropriate**. Most customers like to be recognized by name. If you are relatively new to the store and still unfamiliar with regular customers, you can become good at remembering names by practicing some simple techniques.

(1) When approaching a familiar face (which you can't match with a name), start by introducing yourself. If you wish to know both first and last names of customers, give them both your first and last names.

You might say something like,

"Good morning. It's good to see you again. I'm Betty Smith and your name is...?"

You may wish to **shake hands to hold attention** while you're introducing yourself and listening to customers' names.

- (2) Look customers "right in the eyes." Your brain remembers things partially in the form of words and statistics and partially on the basis of pictures and images. By looking at customers' faces while you are also hearing their names, you help your brain match faces and names.
- (3) When you hear a customer's name, repeat it. After you've introduced yourself, the customer may say something like, "My name is John Brown." You should say, "John Brown?" and pause for a moment to make sure you heard the name correctly... the customer will confirm it. Then say, "It is nice to meet you, Mr. Brown."

If customers want you to call them by their first names, they will let you know. It is generally safer to use courtesy titles such as, "Mr. Jones" or "Ms. Adams" until they invite you to join them on a first-name basis.

This technique is not magical. But, it does work. It works because you are engaging both parts of your brain and hearing customer's names three times in a short interval. Customers say their names, you repeat the names (to check them) and finally, you use the names. Repetition is an excellent way to learn names.

In addition to the greeting, use names periodically during your sales presentation and, if appropriate, write names on sales tickets. These steps will not only help you cement customers' names in your mind, but will also make customers feel important.

There is one other method of greeting customers that is useful when you were unable to greet them as they entered the store or department. It is called the "merchandise approach."

#### **EVEN MORE WAYS TO "SPEAK FIRST"**

Instead of saying, "How may I help you?" to customers who are already looking at merchandise, begin with a comment about the merchandise. You might say,

"You're looking at the best quality \_\_\_\_\_ we carry."

This approach allows you to begin a short presentation immediately.

This technique also works well for customers who previously said they were "just looking" but then stopped to examine a product.

You might also offer customers the opportunity to look at other merchandise... for example,

#### "You may want to check the batteries on sale when you finish looking at the flashlights."

These are called "merchandise approaches." You comments about merchandise are a way to begin establishing rapport.

Directing the customer's attention to a specific item or sale is especially important for **the browser**. You'll learn more about this category of customer (the "browser" or "looker") in the next chapter.

#### SOMETIMES 'REGULARS" HAVE FRIENDS

| In the time you have worked at your store, you have seen customers ask to talk a specific employee.      | Even though other |
|----------------------------------------------------------------------------------------------------------|-------------------|
| sales people offer to help, the customer only wants to deal with a certain employee and may say, "I'll c | ome back when     |
| is here."                                                                                                |                   |

Usually customers ask for a particular employee because they know him or her. When this happens, if you don't know the customer, go ahead and introduce yourself.

Customers who regularly shop at your store may not be familiar with you and may feel uncomfortable talking to you until they get to know you better. When you begin to know regular customers by name, they feel more at ease and will get down to business more quickly.

In this lesson we have analyzed the importance of making customers feel comfortable by using five simple skills to help customers feel comfortable to talk with you.

You'll find customers more friendly and willing to do business with you on a personal basis when you take the burden of getting the preliminaries out of the way.

## Finding Customer Needs

nybody who has been in sales more than one hour knows each customer is different. Sometimes it is difficult to get customers to tell you exactly what they need or want. Other customers know exactly what they want.

Customers can be classified in three rather broad categories. These are:

- Decided customers
- 2. **Browsers** or "lookers"
- 3. **Undecided customers.** Customers who want to buy but are not sure which or what.

Below is a chart that shows the steps buyers go through when purchasing something. Sometimes the entire process takes only a few minutes... sometimes, days, weeks or months.

| Notices<br>something needs<br>attention or | Decides what<br>won't be<br>considered | Begins<br>shopping<br>walks in or calls.   | Becomes afraid<br>of a buying<br>mistakefear of | Mentally<br>decides to buy |
|--------------------------------------------|----------------------------------------|--------------------------------------------|-------------------------------------------------|----------------------------|
| becomes                                    | (products or                           | This step can be a long one or very short. | buying wrong                                    | 20% of                     |
| curious about                              | stores) based on                       |                                            | item, missing out                               | customers will tell        |
| something seen                             | hearsay or past                        |                                            | on better price                                 | you they want to           |
| or heard.                                  | bad experience.                        |                                            | elsewhere.                                      | buy 80% won't.             |

**Decided customers** are ones who know exactly what they need, which size, where it is and are often in a hurry.

In most cases, very little sales assistance is required for decided customers. About all you have to remember to say is, "Thanks for coming in."

When these customers choose items for which there may be additional merchandise required (for example, they picked up pet shampoo but didn't look at brushes or flea collars), it is good to suggest the additional merchandise. These are the least difficult customers to assist.

The next category, **browsers or "lookers**," drive most sales people bonkers. After you have greeted them with a friendly, "How may I help you today?" they often say, "**Oh**, **I'm just looking**."

Of course, some of them are just looking... shopping, killing time or seeing what's available. Most, however, came to your place of business with something specific they want to see and may only say they're "looking" to avoid being "bothered by a sales person" or having to admit they really don't know what they need.

People are interested primarily in themselves. Just about everything we do is related to our own self-interest. Imagine customers with a neon signs on their foreheads that say, "So what."

Customers are not initially interested in how the product is made or where it came from. Instead, they want to hear what it will do for them. Obviously then, it makes sense to find out what customers want products (they are shopping for) to do for them.

Most customers are in a buying mood, but that doesn't mean they will buy. It takes your help and skill for them make decisions. Before you can help customers make decisions, you need to understand what will motivate them to buy.

Asking a few common sense questions can often nail down the "need" in a matter of seconds. Here are some questions that are easy for customers to answer, and they get you the information you need to identify what customers want the product to do and/or why they are asking about it/looking at it.

#### Turn "Lookers" Into Buyers

#### With Six Common Sense Questions

- (1) "Is there anything in particular I can at least direct you to?"
- (2) "Is this the first time you have purchased this type of product or are you replacing something like it that you have bought before?"
  - (3) "Have you already looked at products in this category?"
- (4) "We're glad you decided to check with us. How did you learn about us?" (or this product... if the customer is asking about a specific brand).
  - (5) "So I don't go over things you already know, has someone at our store shown you ours?
    - (6) "How will this be used? What do you want this to do?"

In answer to your first question, true lookers may say:

"Oh, I'm just killing some time and wanted to look around your store."

In that case, the remaining questions may not be appropriate. Simply offer the opportunity to browse. When practical, offer suggestions about something they may enjoy looking at. For example you might say,

"We're glad you decided to look around in our store. If you have any questions, let me know. While you are here, you may want to look at our..."

You'll be surprised how often lookers will take your suggestions and look at the sale item. You'll also be surprised how often they buy.

Most so-called "browsers" don't just wander into your store. If you work in a lumberyard, for example, it is very seldom that customers would come into your store just to see what you stock. Chances are pretty good they are "need" something specific, for a specific project.

However, customers use the word "need," for all kinds of things. For example, one customer might say, "I need a lamp..." as he holds a broken one in his hand. Another customer might say, "I need paint..." when she has become tired of the old color. Both of these "needs" are important to the customers, but they mean different things.

If you listen, customers say things that reveal their real needs. The need may be physical (he doesn't have enough light to see)...it may be pride (she wants her friends to make nice comments about her living room)...or numerous other reasons.

The first of our six common sense questions helps identify **what** they are looking for. The remaining five questions uncover issues that help you help them decide to buy your product. Think how easy it would be to help customers if you knew the answers to all six questions.

Listen to customers and ask questions to *find out what they want the item to do*. Again, most customers are not interested in how the product is made or where it come from ("So what!"). They are interested in what it will do for them.

The purpose of asking questions is to convert "browsers" (for whom you have few answers) into one of the two other categories...decided or undecided customers. You can do something to help when you have information.

**Undecided customers** are the ones for which this course is designed. These customers want to buy but need answers. The remaining five questions work well with undecided customers. **Pay close attention to the answers to the second, fourth and sixth questions.** These gather information about buying motivations ("needs") and help you design your presentation.

So far as we know, there are nine main reasons people buy things. Some of these *buying motivations* don't apply to the types of products you sell; others are right on target. Here's the complete list. People buy:

- 1. Products to make money or as a **part of a project**. This is a prime motivation in the purchase of power tools or other items to maintain a home, craft items and housewares.
- 2. Convenience...your store is located close to their home and/or they want to buy something which makes life easier...an accessory or electronic equipment which will save them time or effort... a microwave oven, garage door lifter, electric toothbrush or electric pet clippers.
- **3.** Products to pursue a leisure **hobby or sporting activity**... any garden tool, soldering iron, instructional books, equine accessories.

- **4.** They are interested in your product because **someone they know and admire owns one**. In a sense, they are imitating and may say, "I have a friend who told me." Most products you sell (even simple maintenance items) can find themselves in this category.
- **5.** They want the product to **prevent or avert loss**. Often paint, repair and security items are purchased to protect investment in equipment or homes...also animal health products, vitamins and feed supplements.
- **6.** They want the product for **health or physical fitness reasons**. Sometimes items such as filters, humidifiers, dehumidifiers fit this one...and all exercise equipment.
- 7. Desire for **recognition or friendship**...prestigious brand-name products as well as the "newest, biggest or best" of any line of products fill this need.
- **8.** They are interested in **self-improvement**. Sometimes they simply want to know how to do something better or more effectively. "Do-it-yourself" books, lots of computer ware and information on how to correct a problem fit this category.
- 9. They are buying just for themselves. Even though the item may seem illogical (a 54" TV for a person with a tiny apartment) it makes great sense to them. The tip-off to this buying motivation is when customers say, "For as long as I can remember, I've always wanted..."

When customers tell you **why** they want a product, **they enable you to match the features and benefits of the item to their desires**. By asking key questions before you start presenting...and thinking carefully about what those answers reveal...you have the power to target your presentation to give precise, individual customer assistance.

**Customers sometimes don't state their needs clearly**. The customer with the tiny lawn might say, "Even though my lawn is not that big, I need a riding mower because my doctor says I have a bad back. My neighbor has a top of the line Nifty Brand, says it does a good job for him."

Behind his actual words, this customer is telling you he knows a huge mower is foolish for his size lawn, but he has admired and envied his neighbor's riding mower and would love to own a prestige model that would make other neighbors jealous. Therefore, your presentation should have less to do with how the mower works and more about well-known and respected brand it is.

Analyzing these facts enables you to hit key points in your presentation about the mower that will "ring this customer's chimes." You may even need to give a bit of reassurance that this mower will not necessarily be too large for his tiny lawn. Emphasize the appearance and convenience features of this top-of-the-line mower that differentiate it from basic models. You would tend to give less emphasis to horsepower or blade size, because these things are not really very important to this customer.

With practice, you will become more alert and "tuned-in" to customers' words, and mentally convert what they are saying into the needs behind the actual statements.

Of course, customers come in both sexes, all ages and various financial positions. Because some products tend to be purchased by customers in a certain age or financial bracket, don't assume those who do not fit the "typical customer" profile would not buy the product. By asking intelligent questions, you'll discover a number of situations where you will be surprised by the size of your sale to a customer you might have suspected would not buy at all.

Some customers may be **youngsters**. They also fall into the "decided," "browser" and "undecided" categories. Don't overlook how important these young people are. Some day many of them will be adult consumers in the community. Most people remember how they were treated when they went to a store when they were kids.

Customers you see today may be **spending a small amount**. If treated properly, however, they generally return some day for larger purchases.

Regardless of how much customers spend in the store, how old they are or how much influence they have in the community, their purchases are important to them and they want you to show them what products will do to solve their needs.

## Modifying the Questions for Your Situation

| BASIC QUESTION 1: IS THERE ANYTHING IN PARTICULAR I CAN AT LEAST DIRECT YOU TO?                                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| YOUR MODIFIED QUESTION 1:                                                                                                                                                                                                                                                                                              |
| BASIC QUESTION 2: IS THIS THE FIRST TIME YOU HAVE PUR-CHASED THIS TYPE OF PRODUCT OR ARE Y REPLACING SOMETHING LIKE IT THAT YOU HAVE BOUGHT BEFORE?  YOUR MODIFIED QUESTION 2:                                                                                                                                         |
| BASIC QUESTION 3: HAVE YOU ALREADY LOOKED AT PRODUCTS IN THIS CATEGORY?  YOUR MODIFIED QUESTION:                                                                                                                                                                                                                       |
| BASIC QUESTION 4: WE'RE GLAD YOU DECIDED TO CHECK WITH US. HOW DID YOU LEARN ABOUT US?  YOUR MODIFIED QUESTION 4:                                                                                                                                                                                                      |
| BASIC QUESTION 5: SO THAT I DON'T GO OVER THINGS YOU ALREADY KNOW, HAS SOMEONE IN OUR STORE SHOWN YOU OURS?  YOUR MODIFIED QUESTION 5:                                                                                                                                                                                 |
| BASIC QUESTION 6: HOW WILL IT BE USED?                                                                                                                                                                                                                                                                                 |
| YOUR MODIFIED QUESTION 6:                                                                                                                                                                                                                                                                                              |
| Obviously the questions we have suggested in this chapter will not get all the information you will need to sell <b>your product or service</b> . Use the space below to list additional questions you might ask to get specifics you need to make good recommendation (things like delivery, quantity, payment terms) |
| (Delivery wanted)                                                                                                                                                                                                                                                                                                      |
| (Buying now or later)                                                                                                                                                                                                                                                                                                  |
| (Others involved in decision)                                                                                                                                                                                                                                                                                          |

| (Additional items being considered)                        |
|------------------------------------------------------------|
| (Quantity)                                                 |
| (One time purchase or on-going)                            |
| (Payment preferenceespecially if you offer cash discounts) |
| (Other information you might need                          |

## **Dealing With Unhappy Customers**

s you know, there is a fourth category of customers. These are customers who return because they are upset about a product or service they have previously purchased. **Nothing we will say in this chapter will make handling of these customers "fun."** We can, however, share some ideas to make your handling of irate customers more effective and beneficial for you.

Our ideas hinge on one key concept...irate customers returning to your store is a welcome sight. If you've handled angry customers, you may disagree with that thought at first.

Here are some statistics from the book <u>SERVICE AMERICA</u>. The book reported results of a study commissioned by the U.S. government (White Office of Consumer Affairs). The study was to find out what happens when customers are unhappy with products or services they have purchased. Here are some of the most important statistics:

#### THE BAD NEWS

For every customer who takes the time to complain, there are **26 others** who are also unhappy about something but **decided not to let you know** 

Of the 26 who are unhappy, six have concerns that would be considered serious by your company

65% - 90% of unhappy customers (who don't tell you they are unhappy) "take a look" at a competitor's product or service

On average, 87% (of the 26 unhappy people) tell 9 - 10 other people about their problem...13% of them tell about 20 others

#### THE GOOD NEWS

You can win back 55% - 70% of the 26 just by listening to the complaint

You can win back 95% if you listen and then can offer an immediate solution or adjustment.

Looking back to the reasons why we lose customers, the third most significant reason why customers start doing business elsewhere is because they had an unadjusted complaint.

Actually, the main reason customers get so frustrated and angry that they quit buying is not because of a product that failed, but because of the way a sales person handled the complaint.

Also think about long-term results you may have experienced when you have successfully handled an unhappy customer. **They come back!** 

You may have experienced situations when customers came back with legiti-mate complaints, were professionally handled and the problems solved. If so, you may agree those customers became some of your most loyal.

Of course, that doesn't mean they will not complain about future problems, but they are often more loyal to **you** and your store. Customers will begin asking for you by name because you helped them solve a problem.

Maybe you can think of one or two places you shop where your complaints were properly handled. Perhaps because your problems were handled well, you buy there often. Conversely, many people refuse to ever (again) set foot in a store because once (often, it only takes one bad experience) they were not able to work out a satisfactory solution to a dispute.

The sheer fact the angry customer has come back to your store is a pretty good sign. They could easily have decided not to come back at all and gripe to their friends about how they were ripped off at your store. They could have gone to competitors and started buying another product instead of yours.

It's not easy for most of us to complain. It is easier to avoid a confrontation. Have you ever asked for a refund or exchange? You probably felt a little uneasy. Your customers feel the same way. By coming back to your store to talk about problems, they have chosen to do something difficult.

This is why we say you should be happy to see dissatisfied customers come back. Those customers are saying, in essence, "I have a problem, but I'm willing to give you a chance to help solve it." **Customers who come back and have complaints properly handled often become loyal customers.** And, when they tell their story to friends, your store becomes the "good guy."

#### CONSIDER UNHAPPY CUSTOMERS' MINDSET

Think about the attitude of unhappy customers as they enter your store.

They are uneasy about what may happen.

In many cases, they have a "me against you" attitude.

They have pre-rehearsed or thought through some of the things they plan to say and what they think you might say.

Often, they expect sales people to say, "Gee, I didn't sell you that" or "I'm not the person who handles this kind of problem."

Begin with the goal of creating a climate that assures customers you want to help them. Your attitude and the use of some very simple but powerful skills can make these transactions shorter and more effective.

As soon as you know you are dealing with an unhappy customer, say:

- T. I'm sorry this happened.
- 2. I'm glad you came to tell us about it.

These statements will not take all the "angriness" out of angry customers, but they help customers focus their emotion on the problem...not on you. These statements demonstrate interest in solving problems.

If irate customers don't begin telling you about their problems, invite them to by saying, "Please, tell me about the problem." Angry customers have little difficulty doing this.

This is the least enjoyable part of dealing with truly irate customers. They not only talk about the problem at hand, but also may dredge up all kinds of problems from the past. If you remain silent (and interested), upset customers talk less than you might expect.

During the time angry customers are talking, **use non-committal acknowledgments**. Examples are statements like:

"Uh-huh... I see...No kidding... Then what happened?...Hmmm?"

Non-committal acknowledgments demonstrate you are willing to listen without indicating that you agree or disagree.

Customers' problems may be as simple as a wrong size or wrong color. Of course, some problems are more complicated. Perhaps the product has failed to function properly or is broken. In these cases, asking questions and listening become more important. You will need to know if the customer used the merchandise correctly. You'll also need to know if the merchandise is beyond repair.

Ask how the item is not meeting customer expectations. As simple as that sounds, many sales people start telling customers their problem is not important before customers have had a chance to say what they planned to say about the problem, their feeling about he problem, etc.

Guard against accidentally telling customers they are wrong. Sales people do this by saying things like, "Gosh, we've sold at least 200 of those and never heard anything like that."

Such a comment can make the customer more defensive because it essentially sends the message: "You evidently did something unusually wrong or stupid with this item that 199 others did not do."

You may be right, but it certainly doesn't help customers feel any better about their problems!

When customers are explaining problems, they may show you what the problem is by pointing to (or handing you) the broken item. If they don't, ask them to. Seeing problems is helpful in three ways:

- 1. It shows interest.
- 2. It helps you determine the extent of actual problems.
- 3. Customers become more factual and tend to moderate the severity of problems.

Once you have heard and seen the problem, you may know immediately what to do and have the authority to make the adjustment. In those cases, make the adjustments and thank customers again for bringing their problems to your attention.

On the other hand, it may be an issue with which you are unfamiliar or the adjustment is something you do not have the personal authority to approve.

**Never promise something you cannot personally fulfill.** Even though your store may have a policy of replacing or repairing certain things, if you don't **personally** have the authority to approve the replacement or repair, it is best not to promise it to customers until a manager tells you for sure it will be done.

In these cases, a useful question to ask is:

## "What do you think would be fair?"

Ask this question instead of explaining why you are not going to handle the adjustment personally. The question is designed to help customers think in a broader context. Instead of a selfish request, they often request something well within reason or store policy. Often what the customer wants most is for someone to listen.

Don't promise anything until you have authorization. You might say something like:

"Ms. Customer, I think I see what the problem is now. Let's see what we can get done."

Finally, if the decision of the manager or owner is to replace merchandise or provide a refund, (even if you think the customer doesn't deserve it),

Give it with class.

To communicate disapproval or disgust with the refund or replacement--even subtly with a fleeting facial expression or roll of your eyes, has the effect of undoing the good will your store is trying to buy. Smile and thank the customer.

If you follow all the steps in this chapter, the person to whom you must go to seek approval for the adjustment will be in an excellent position to make a fair decision. You will also have averted one of the most dangerous problems of dealing with irate customers. Sometimes, with good intentions, we promise customers something we later cannot deliver. Then we have to go back, apologize and try to explain why what we previously promised is not going to be done.

Irate customers...they are not fun, but they can become good customers through proper handling. If you remember the irate customer's deepest need is to be heard, you'll be successful. If irate customers only wanted to scream and yell, they could do that at home. The fact they come to you indicates they feel something worthwhile will happen. By handling them professionally, you not only build loyalty to the store, but to yourself as a sales person.

## **Using Visual Aids**

Buying a product or service is an enjoyable experience for customers--provided they need it, feel your product or service is capable of doing the job, your company (or you as a sales person) can be trusted to deliver what is promised, the price is fair in relation to the value offered by the product and finally, that they can benefit from having the product or service right now.

If they are to buy the products you have to offer, **customers must make decisions**. To make decisions, **they must have information**. The information they need must come from you...**in an "easy to remember" format**.

Unfortunately, we sometimes make it difficult for customers to buy our products or services because **we don't use good presenting techniques**.

**Selling is an applied behavioral science.** If you are willing to learn the techniques of good selling and regularly use them, you'll be successful with your customers.

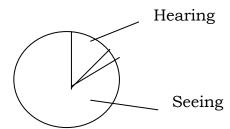
One of the techniques critical to the selling process is **"Show and Tell"** selling. It is surprising how little people remember, at times. This is especially true when they are trying to remember things they have heard but not seen.

As a separate lesson, there is an exercise in which you can see what happens when you try to remember a bunch of facts but don't have a way to sort them. If you'd like to try this fun exercise, look for The Battle of the Plains of Abraham in the list of lessons.

Following are some statistics about how much we miss is listening is our only to learn. Of course, we're bringing up these points because we want customer to understand and remember the advice people like you give them.

### The part our various senses play in learning

| Sight | 83% |
|-------|-----|
| Smell | 3%  |
| Taste | ½ % |
| Touch | 2½% |
| Sound | 11% |



## 72 hours later, people generally remember:

10% of what they read
20% of what they heard
30% of what they saw others do
50% of what they heard and saw others do
70% of what they talked about during the presentation
90% of what they talked about and worked with

The effect of time on your method of presenting:

| METHOD USED | AMOUNT WE TYPICALLY REMEMBER AFTER: |        |
|-------------|-------------------------------------|--------|
|             | 3 HOURS                             | 3 DAYS |
| TELL        | 70%                                 | 2.2%   |
| SHOW        | 72%                                 | 30%    |
| SHOW & TELL | 85%                                 | 50%    |

#### Some people have more difficulty seeing and hearing:

| AGE | SIGHT DEFECTS | HEARING DEFECTS |
|-----|---------------|-----------------|
| 20  | 13%           | 23%             |
| 30  | 19%           | 39%             |
| 40  | 25%           | 48%             |
| 50  | 34%           | 71%             |
| 60  | 51%           | 82%             |

When customers are looking for a specific product, take them to it. This sounds simple, but we sometimes forget if we are too intent on finishing some task. Sometimes, we simply point customers in the right direction...and thereby miss excellent opportunities to explain products.

The need to see the product is particularly true of "decided customers." They want to find the merchandise and get quick answers to one or two simple questions. Their questions can be more convincingly answered if you **show them the product**.

The other two kinds of customers ("browsers" and "undecided's") may need additional help. For these customers, seeing the product will have a great impact on their willingness to buy.

This is why television has such a tremendous impact on sales of products. People see the product on television, then when they again see the product in your store, they remember things said in the TV commercial.

#### THREE PRESENTATION TECHNIQUES

First, if the product is small enough to hold, take two of the products from the shelf and hand one to the customer...keep one for yourself. This is called the "take two" technique. Customers who have difficulty seeing can be comfortable holding the product as close or far from their eyes as they need.

Holding the product also gives them a sense of possession. You'll be surprised how often customers will keep the item. When customers have products in their hands, attention is almost totally dominated, and other things going on in the store won't as easily distract them.

When you handle merchandise, use respect and care. This makes products seem more valuable, more important. When you hand products to customers, they will tend to handle them with respect as well.

Another variation of having the customer look at/touch the product is the "walk around" presentation of a piece of equipment or an appliance. The term "walk around" refers to the technique of walking around large items, periodically stopping to point out various features customers wouldn't know unless told and allowing customers to touch the product, push buttons, etc. Stress the features customers said were most important when they answered your probing questions (review chapter 5 of this book).

"Walk around" presentations become boring when sales people "tell everything they know" about a product. Customers don't need to know or want to hear everything. Customers want to hear how the product will fill their personal needs.

A second technique is to **use brochures and sales literature**. Often, literature is located close to products. When the item is not actually stocked in the store, information may be found in a catalog or wall chart. Use of brochures or charts is also helpful when the product is too big or too heavy to hold.

When using this technique, it is important to **hold the picture in such a way that it is easy for customers to see**. If necessary, turn the brochure around so it is properly positioned.

For maximum effect, **use a pencil to mark on the brochure**. Of course, you can only do this when the brochure is the type that can be given to customers. As you are presenting the product and answering questions about it, you can **underline and mark various key phrases**, specifications or prices while you are talking. This focuses customer attention on what you are saying and also builds recall points.

When you have marked certain key phrases (especially when customers need to "think it over" or get additional measurements before purchasing) the marks you make will help them remember important facts when they are back at their homes or places of business.

Most important about the technique of using brochures and sales literature is that it adds credibility to what you say. The old sayings "A picture is worth a thousand words" and "Seeing is believing" are actually true. When a well manufacturer puts a statement about product performance in a brochure, customers believe it.

A third technique is to use pencil and paper. When you are calculating or designing a special use of your product, use your pencil. Write down such things as how much of the product is needed, when and where it should be used, the names of products, sizes, etc. All of these help customers remember and understand your presentation.

Using visual aids makes selling easier because, again, **people tend to believe what they see**. Another saying we grew up with is worth remembering..."Don't believe anything you hear, and only half of what you read." Somehow seeing facts and calculations help customers understand...and believe.

To increase the amount of your sale without exploiting customers or being offensive, **show customers your best quality products first**. Of course, when customers know exactly what they need or want, take them to it first. On the other hand, when customers are uncertain, show them your best quality before showing lower priced items.

**Not all customers want the lowest price.** Most people like to own high quality things. A few customers become annoyed at sales people who suggest higher quality items, but customers should never have to say, "Well, I'd like to see something of a little higher quality if you have it."

Point out the features of the "top of the line" product. It is easier to sell down to a lower priced product. Customers who wish to save money can buy your next best quality rather than the "top of the line."

As customers begin to reveal needs or spending limitations, you should begin to focus on the product that seems the best fit. Eliminate other products from your discussion and, if possible, put the product that best fits the need in their hands.

Reduce the number of choices customers must make. Help them focus on products that target their needs.

Show and tell selling is easier because you do less telling. When you are showing customers a product, handling it carefully and allowing customers to hold it, you really don't have to do much fancy talking.

You'll also help customers remember much more about your products. When you are showing and telling, you're not selling...you're helping customers learn the things they need to know to make buying decisions.

LIST SOME OF YOUR ABSOLUTE FAVORITE PRODUCT LITERATURE AND SAMPLES TO USE WITH CUSTOMERS

## How To Sell Quality Over Price

n the last chapter, we showed how the use of visual aids can reduce the amount of "talk" required to make a successful sales presentation.

In this chapter, we will further minimize the number of words required to help customers make buying decisions by using the powerful technique of talking in terms that help customers see what your product or service will do for them...answer the "So What?"

This poem describes the reaction customers might have to long-winded sales presentations.

I see you've spent quite a big wad of dough To tell me the things you think I should know.

Your store is so big, so fine and so strong; Your record of service goes back "Oh so long."

Your company started in 1902? How interesting that is...to you!

You're building the thing up with the blood of your life? I could run home like mad and tell that to my wife!

Your product line is modern and Oh so complete; Your manager flawless... your people so neat.

Your motto is quality with a capital "Q"? Why am I tired of hearing about you?

So, tell me quick and tell me true (Or else, my friend, the heck with you!)

Less of "How this item came to be"

And more of "what the darned thing does for me"!

Customers don't buy products.
They buy what products will do for them.

The key to selling is to discover what customers want products to do. Why are they really interested in this type of equipment, this appliance, these accessories or other things about which they have talked?

| FEATURE | FUNCTION | BENEFIT |
|---------|----------|---------|
|         |          |         |
|         |          |         |
|         |          |         |
|         |          |         |
|         |          |         |
|         |          |         |

| FEATURE | FUNCTION | BENEFIT |
|---------|----------|---------|
|         |          |         |
|         |          |         |
|         |          |         |
|         |          |         |
|         |          |         |
|         |          |         |

In a previous chapter, we stressed how important it is to ask questions to find out how customers plan to use the product, what caused them to want to see your product, what other products they've seen, and other information which isolates the **buying motivation**. The objective of this chapter is to demonstrate how to match the things you say about your products to the needs of your customers.

Customers need to be told what products or services mean to them personally. Sales people mistakenly assume customers can figure out the potential benefits of buying or using a product. Often, not clearly explaining benefits leaves questions in the minds of customers and makes it difficult for them to make decisions.

To make sure customers hear what they need to know to make a buying decision, products should be described in three ways...features, functions and benefits. Let's define these three parts of describing products.

**Features** are information that tells how products are made, packaged or put together...facts about what's in it. Features are easily spotted by looking at products or reading about them in a brochure.

For every feature there is a function. **Functions** tell what the feature does or why the product works better because of the feature. Functions build a bridge between the production plant and customers. Functions explain in logical terms what the feature does.

For example, if you were describing paint which contains titanium dioxide (a feature), the function is to give the paint "hiding power" to cover one color with another.

Finally, benefits help customers visualize themselves using products. **Benefits** help customers see products doing something...for them. Benefits convert products from impersonal manufactured objects to needed and useful items.

Features and functions are easy to recognize. Anybody who looks at a product can normally pick out several features. Benefits, on the other hand, have to be personalized to specific customers...by you.

Some people wonder why functions are so important. Sales people have said, "Why not explain the feature of the product and the benefit and just skip the function?"

Suppose you were describing a lawn mower that has a blade break clutch (feature), skipped the function, jumped to the benefit and said something like:

"This has blade break clutch (feature) so that you don't have to restart it after dumping bags of grass (benefit))."

You may understand how a blade break clutch stops the blade but not the engine, but **customers may not understand at all.** 

By omitting the middle element, the function, where you describe tell what the BBC does, you leave customers with potential questions. You may also leave them with the feeling you have just glossed over the product or perhaps are only saying things you know they want to hear.

Functions provide a natural bridge between explaining how the product is constructed and how it will benefit customers.

As you listen to clues (answers to the questions you asked about **how the product will be used)** you determine **what customers want the product to do**. You can then include the benefits most appropriate to each specific customer's needs.

For example, the paint with titanium dioxide could mean entirely different things to customers who want to paint and "be done with it" and those who want "a smooth professional look." Although a product is made exactly the same way, it can benefit customers in different ways.

When you describe products in terms of benefits, you demonstrate concern that products are useful for customers. The question in customers' minds is: "What's in it for me?" Benefit selling normally answers this question. It also reduces the number of objections customers raise.

When you describe products in terms of benefits you eliminate many of the "So what's?" in the minds of customers.

| Surprisingly, as easy as this technique is to use, | fewer than one out of seven sales people take the time to s | how           |
|----------------------------------------------------|-------------------------------------------------------------|---------------|
| customers what products can do to fulfill needs.   | This is why in the minds of many customers, "All ar         | e pretty much |
| alike" or "A toaster is a toaster."                |                                                             |               |

# SERVICES PROVIDED BY YOUR COMPANY ARE AS IMPORTANT AS PRODUCT FEATURES. USE THE SPACE BELOW TO LIST <u>FEATURES</u>, <u>FUNCTIONS AND</u> <u>BENEFITS OF BUYING FROM YOUR COMPANY</u>

| ONE OF THE<br>SERVICES WE<br>PROVIDE IS         | THAT'S IMPORTANT<br>BECAUSE    | WHAT THAT<br>MEANS TO YOU    |  |
|-------------------------------------------------|--------------------------------|------------------------------|--|
| (Feature)                                       | (Function)                     | (Benefit)                    |  |
| We wrap framing loads                           | it protects from weather       | less waste and lost time     |  |
| We have a machine to place shingles on the roof | you don't have to lift bundles | much faster work on the site |  |
|                                                 |                                |                              |  |

## Handling Customers' Objections

**Touldn't it be nice if all customers said, "Yes, I'll buy it" or "You're right, I do need some today."** Sure, it would, and sometimes they do...but, more often they don't.

We described "decided" customers who come to your store knowing what they want, pick it up, pay for it and leave.

But, there are also "the browsers" and the "undecided" customers who think they want something...but aren't quite sure what. They also may not be sure whether they want to buy it today. **Most people don't like to make decisions.** 

Many sales people unnecessarily fear objections. Some sales people think objections indicate customers don't want to buy.

Perhaps it will be comforting to know the opposite is true. In many cases when customers raise objections, it's an indication they are planning to buy!

At the point of purchase, customers must deal with two concerns...making a wrong decision and fear of missing out on a better offer. At the point of decision these two concerns are expressed as objections.

Good rules to remember in responding to objections are:

- (1) Objections are almost always an indication of questions in customers' minds that need to be answered
- (2) Customers often "object" to the things they are thinking of doing

When customers say, "The price is too high," in many cases they are wondering whether or not the price is justified in view of what they think they are receiving...but they are already considering and weighing the possibilities of purchase.

Another important factor: as long as customers are looking at alternatives or listening to presentations, they have some degree of emotional involvement. However, when you finish your presentation and say something like, "That's about all I can say. Does it sound like the kind of thing you need?" Customers know a decision is required. Customers often have difficulty dealing with the tension of making decisions.

Some sales people feel uncomfortable trying to get customers to talk through their concerns when objections have been raised. They think they are being "pushy."

Quite the contrary is true. Remember what we said earlier. Few customers wander into your store because they have nothing better to do. They probably intend to make a purchase or at least gather sufficient information to make the purchase in the near future. **Only by helping customers decide can you truly serve them.** 

There is pleasure following a purchase decision. After the purchase has been made, a sense of relief comes over customers...they now own the solution to a problem...have finally taken care of something they needed to do.

Taking this attitude...you are helping customers make decisions they probably need to make anyway... will help you at this critical point.

| So we can focus on those objections you most want to know how to handle bette<br>two that customers have given you which were difficult to handle. | er, in the space below, list an objection of |
|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| the that eactomers have given year milen were almounte harrais.                                                                                    |                                              |
|                                                                                                                                                    |                                              |
|                                                                                                                                                    |                                              |
|                                                                                                                                                    |                                              |

#### KEEP THE RIGHT MIND SET

**Don't react to the first words customers say**. Their initial statements are often like the outer layer of an onion. You don't use it. Peel it off and look for something better.

Customers often don't know exactly what is bothering them, so they just say "something." Don't worry about the first statement. You could pretend customers say, "I like chicken soup" instead of what they actually say. If they actually said, "I like chicken soup", you'd likely wonder, "What in the world does that mean. I wonder what s/he really meant?"

Customers say all kinds of things, but objections fall into basically two very broad categories. **The objection (question)** can be answered...or it can't. Sometimes customers may say something like, "That sure looks like a good item, but my boss has only given me \$XX to spend." That is probably an objection you can't solve. A less expensive item may be the answer.

This is an example of a category of objections we call:

## **Condition Objections**

Condition objections are situations so serious they prevent customers from buying your product...or anyone else's...at least right now. Often this problem arises when you fail to ask important probing questions.

Conditions can be less final. Your customer might say:

"I like it, but I'll need to talk to..."

When customers announce they must consult someone else, do three things:

- 1. Find out what the customer "likes" about the product.
- 2. Ask what the "other person" may want to see or hear.
- 3. Check to see if you can visit with the "other person."

Truthfully, many customers who say they need to check with someone else don't really need to. They are the decision-makers and are only using the "I'll need to talk to..." as a way to avoid deciding.

If you can help your customer decide, do so. If not, thank him or her and let go.

Another category of resistance is:

## **Buying Signal**

Customers sometimes say things like:

I hadn't planned to buy this early.

I should have checked with my wife.

I wasn't to buy one this nice.

Notice all these statements are in **past tense**. Customers who say, "I **hadn't** planned on paying quite that much," may be saying, "I **hadn't**, **but I am now**, and I need reassurance I'm making a good decision."

Before asking additional questions (perhaps making the objection more important than it really is) offer reassurance followed by a question such as:

"I think you'll be pleased you bought the more durable model so you'll get the kind of performance you really want. Wouldn't you agree?"

You'll find, in many cases, customers will agree...and purchase the item.

In other cases, customers may indicate they really want the most durable item but cannot afford it. In these situations, you will need more information, and an additional set of skills. We will discuss those shortly.

A third category of resistance is:

### The Stall

Customers say things like:

"Let me think about it."

None of us wants to be pushy, but sales people must be interested enough to find out what the concern really is. By finding out the true concern behind the stall, perhaps you can add new information to help your customer analyze the decision. When customers say, "I'll think it over," an effective way to help them reveal their true concern is to ask a question like:

"Mr. or Mrs. Customer, I realize this is a major decision and you probably have some things to consider, but just for my own information, what would you say is the main thing you feel you need to think over?"

Given an opportunity to express concerns, customers often discuss the real reasons they want to "think it over." Of course, some customers do need to think it over or visit with someone else before making a final decision...if so, let them.

In many cases, however, customers who *stall* only need more information before making the decision. By finding out what information they need, you have an opportunity to supply it...instead of permitting one of your competitors to supply the information...and get the sale.

These three categories of objections... conditions, buying signals and stalls... constitute about 30 to 35% of the objections you hear in day-to-day selling. By far, most objections you will hear fall into a category we call:

#### **Problems and Questions**

Problem statements may begin with:

"Yes, your product looks very good, but my neighbor bought one like it and..."

"It certainly looks like the kind I need, but I only have \$50 to spend so I guess I'll have to look for something else."

Both of these statements imply desires to buy but there are problems that must be solved. Customers may be wondering if they will receive sufficient value (or additional features) to justify purchasing your product at a higher price than they planned or at a price higher than a similar item at a competitor's store. What these customers are looking for is justification for purchasing or new information to resolve the question.

**Problems and Questions are seldom stated as questions.** A good example is when customers say, **"Your price is too high."** In many cases, this is a question...but stated as a fact.

Sometimes, sales people say to customers, "Well, but let me show you a couple of other things about this product, and I think you'll agree the price is fair." The information they give is probably correct, but may not help. Many times customers are simply confused.

By dealing with objections as they arise, you can steer your presentation to the real issue...saving time for you and your customers by delivering the targeted information they need.

Conveniently, you can use the same skills to handle:

- 1. Problems and questions
- 2 Issues behind buying signal statements

Here are four steps for handling problems/questions, concerns raised after a stall or buying signal:

- Invite customers to talk.
- 2. Restate customers' statements as a question (which you have a chance to answer).
- 3. Show concern by agreeing with feelings but not necessarily with facts.
- 4. Solve the problem by offering new features, functions and benefits.
- 3. Questions needing to be answered after peeling open a stall.

A quote from the Bible may be a good "mind set" rule. In Proverbs 18:13, it says, "The person who answers a question, before he's heard it, is not only foolish but insulting!"

Each of the four steps is a building block and has special importance.

The first step helps you avoid accidentally implying to customers that objections they have raised are unimportant. Don't try to overcome objections by telling still more about your product or service...until you find out what the problem is.

**Get customers talking** (Step 1) about problems using "I" and "ME" phrases. You gain new information and often customers do too. Many times the more customers talk about objections the more they realize they're not so important after all. But, phrases that use words like "WE", "US" and "OUR" often are intimidating to customers because they feel they are defending themselves against a company. They feel more comfortable talking you...as an individual. Here are examples of what you might say to get customer to talk with you:

I would appreciate hearing more about what you're thinking.

I'm sure you have reasons for saying that. Would you mind sharing them with me?

I doubt that I know exactly what you mean. Would you give me some more information?

Next you **restate customers' objections as questions** (Step 2). You are doing something very important: you're not proving them wrong, not arguing. Instead, **you're acknowledging they have questions**. You're also assuring the information you give in step four is what they want to hear.

Here are examples of how to restate customers' objections:

I may be wrong, but it sounds like you're wondering if our price includes something the discount store doesn't. Is that correct?

If I understand, you really like the better quality one and are wondering if it is really that much better than the less expensive one. Is that correct?

In Step 3, you agree with customers' feelings or acknowledge their point of view...you reassure them you understand. Remember that you're not agreeing with the facts... you're agreeing with feelings.

See how these examples might help:

That's a very good question. Thanks for asking.

I can see why you might <u>feel</u> that way. Many customers who have bought this one <u>felt</u> the same way. We looked at the differences and here's what we <u>found</u>.

Finally, you **list offsetting advantages or add new information** (Step 4) that you missed in your original presentation. You help customers tip the scales toward buying.

When customers say, "No," you sometimes can't change that decision. But, you can often help customers make new decisions based on additional facts.

In 60 to 65% of cases when customers object and say, "No," what they are really thinking is, "I don't kNOw" I'm not sure...this is a tough decision.

Reasons for not buying never go away. We all kind of hate to part with our money, for example, when we purchase a new automobile or appliance. And yet, when enough offsetting advantages in favor of buying can be seen, the objection (parting with our money) is outweighed.

Respond carefully and somewhat slowly to objections. Help customers realize you are taking their questions seriously. If you rush right into your response, they may feel you simply wanted enough information to give them a "pat" answer you may have memorized and used with dozens of other customers. Even though many objections will become familiar to you, each customer's objection is important to that customer and has a slightly different twist. Treating objections with respect demonstrates concern.

When customers object, they are no longer listening to features, functions and benefits of products. They want someone to listen to them...now.

Sometimes you won't make the sale. Sometimes customers will raise an objection, you'll listen carefully, give your best answers and they still won't buy. But, you'll be surprised how many sales you can make when you try to understand customer's questions.

Now it's time for you to practice. Copy one of the objections you listed on page 50 into the space below. Then use the spaces below it to write what you might say for each of the four steps in overcoming the objection.

| OBJECTION:                                                              |           |
|-------------------------------------------------------------------------|-----------|
| 1. GET THE CUSTOMER TALKING You might say:                              |           |
| The customer might say:                                                 | -         |
| Or the customer might say:                                              |           |
| The worst thing the customer could say is:                              |           |
| 2. RESTATE THE OBJECTION AS A QUESTION                                  | -         |
| 3. ASSUMING THE CUSTOMER SAYS "YES", AGREE WITH FEELINGSBUT NOT FACTS E | BY SAYING |
| 4. LIST OFFSETTING BENEFITS                                             | _         |
|                                                                         | -         |

## COMMON OBJECTIONS CHEAT SHEET

| CUSTOMER STATEMENT                                                     | POTENTIAL REPLY                                                                                                                                         |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| CONDITION OBJECTION  I like it, but I'll need to check with my husband | 1. What do like about it? 2. What will he want to know? 3. Can I visit with him?                                                                        |
| BUYING SIGNAL  I hadn't planned on paying that much                    | I think you'll be happy you got the better one.     Wouldn't you agree?                                                                                 |
| STALL Let me think about it                                            | I'm sure there are things to consider    but for my information     what do you need to think over?                                                     |
| PROBLEMS/QUESTIONS  Your price is too high                             | 1. I would appreciate could you tell me  2. It sounds like you want some info about Is that correct? 3. That's a good question 4. Let me point out that |

## Closing the Sale

Nothing is more difficult, and therefore more precious

Napoleon Bonapart

than to be able to decide.

he reason for sales presentations is to get the order. That may seem obvious, but sometimes sales people forget. Sometimes they make good presentations, answer questions, then forget to ask customers to make the final decision.

Sometimes sales people don't actually forget...they fear asking closing questions. They see asking closing questions like picking up grade cards at the end of the semester. It's at that point they find out how well they did. Since some are afraid they may not have done well, they don't ask. They allow customers to walk away with sufficient information to buy from someone else...a competitor.

There are a couple of **myths about closing** which have been passed along to each new generation of sales people. The **first myth** is that there is **a magical psychological point** when customers are exactly ready to buy, and if you don't ask the closing question at that very moment customers won't buy. In reality, there are many points where closing questions can be asked. After each closing question, you receive a "Yes" or "No" reply and can decide the next step.

Customers make many decisions in the process of buying. The first decision is: do I need a product or service like the one you are offering? It's the old, "Would Eskimos buy ice cubes?" question. Regardless of price, they may never see a need for purchasing such a product. However, most customers come to your store with this first decision already partially made. They arrived curious enough to look, but they may have decided (after seeing the product) that they don't want it or truly can't afford it.

During your presentation, customers must make two more decisions. Assuming they want the product, they decide: will the product you are offering fill the need I have? And, they must decide: do I feel confident purchasing the product from you or your company?

Fourth, customers must decide: **is the price is fair in relation to value received?** Finally, they must decide: **is now the time to buy?** As you can see, there are a number of opportunities during the presentation and handling objections to check out whether any of these decisions have been made.

A second myth is: "Once customers have seen the product they really want, they will volunteer the purchase." This myth is partially true. About 20% of customers will say, "I'll take it!" after your presentation.

Nearly 80% won't say they want to buy--even when they are convinced the product is what they want or need. **Nearly 8 out of 10 customers need help making the final decision**. They are afraid they may make a wrong decision or miss out on a better offer.

Unless you ask closing questions, many customers are likely to walk out of your store still concerned with those issues. Your reassurance and help to finalize the decision can cause those concerns to melt into a feeling of satisfaction...the decision is made, the solution to a problem purchased.

In a recent survey, 96% of retail salespeople were evaluated by customers as not clearly asking customers to buy. For reasons we mentioned, sales people fear what might happen if they ask a closing question. However, think of closing questions in this way: Questions require answers, answers require decisions. By asking questions you can help customers make decisions.

There is no magical way to eliminate the normal tension customers feel at the time of purchase. Sometimes with small purchases of urgently needed items, tension is non-existent. When the purchase is major, the product complicated or financing terms complex, the tension level can be very high.

There is a difference between tension and pressure. Tension associated with making decisions is normal. Pressure is that uncomfortable feeling of being pushed to make a decision without sufficient information. Customers who feel pressured are being asked to make decisions before their questions have been answered. Give their objections more processing.

Many customers begin to indicate their willingness to buy through statements and physical gestures. These are "buying signals." For example, the customer may say, "This may be exactly what I've been looking for," or "Does the cost of this item include delivery?"

Customers may also nod approvingly, smile or hold the product as though it was their own. If you are listening and watching your customers, you'll notice many signals from customers which almost say, "Now's the time...help me decide to buy this product."

The key to closing more sales is to ask more questions. Notice the word "ask." Customers don't want to be pressured, but they do expect to be asked.

#### FIVE SIMPLE WAYS TO CLOSE SALES

First is the "summary" close with an action statement. When using this technique, you merely review the points that have been made. It is an excellent technique for customers who have heard in a rather complex presentation. It works well because customers know a few words in advance the closing question is about to be asked.

Using the summary technique can sound something like this:

"Let me see (Mr. or Mrs. Customer), we've talked about the key things which make our product more durable than others, the service our company provides in case you should experience a problem, the financing program so you can have the product today and our delivery schedule. Can you think of anything else you need to know?"

Even though customers can answer "Yes" or "No," the question moves them closer to the final decision. You'll find, in many cases, customers will say, "Yes, I also need to know..." or "No, I think that's it."

Even with this commitment, it will be necessary for you to ask an additional question or start writing the order. You must take action to help customers finalize decisions. You might ask:

"The only thing left is to get your authorization on the delivery order. Shall we do that now?"

The summary close is effective because it reminds customers step by step of the decisions already made. It also is an excellent way to clear up potential misunderstandings.

In one major study, sales people who did a good job of probing for needs, presenting and dealing with objections received orders 75% of the times they used summary closes with action questions.

The second closing approach is **the direct question**. As the name implies, it is a straightforward question asking customers to purchase. You might say:

#### "Would you like to buy it?"

It is businesslike to ask customers to buy if you've made a good presentation.

There is, of course, a built-in limitation to this closing question... it can only be answered "Yes" or "No."

It is, however, very professional. It demonstrates confidence and leaves no question in the minds of customers what the next step is.

When customers say, "No," what do you do? Go back to the skills discussed in the chapter on dealing with objections. Find out what "No" means.

Direct closes are excellent for small purchases or ones where the decision seems obvious. Here are some additional examples:

"Do you want us to load it?" "Shall I order it for you?" "Do you want us to service one?"

They all seek a simple "Yes" or "No" answer...direct, professional.

Another technique is the "choice" question. This is the most popular closing technique. Instead of giving customers a choice between something and nothing, offer a choice between something and something.

You might ask:

"Do you prefer a quart or a gallon?"

"Do you want delivery today or first thing tomorrow morning?"

Many times when offered a choice, customers take the initiative and begin finalizing the purchase.

We recommend you offer a choice question only when you have a legitimate need to know what the customer wants. If a customer says he needs eight spark plugs, don't say something like, "Do you want 8 or I6?" He said he wanted eight... your "choice" would sound (and be) manipulative.

Another indirect approach is **the "assumptive" close**. This closing technique is appropriate when customers have given a number of buying signals, perhaps have even said, "This is exactly what I've been looking for."

When you feel customers want the product, are trying to make the buying decision and need your help to finalize their choice, assume you have the order and ask something which would normally be asked after the decision to buy has been made like:

"We seem to agree this is what you want. How would you like to pay for it?"

You could then ask a direct question about payment terms or offer a choice. Customers hear you verbalize the decision they've probably already made.

As we said earlier, many customers want to buy your products but because of two nagging issues (Is this the right decision? Will I miss out on a better deal?), they just can't bring themselves to say, "I'll take it." They need a gentle nudge to help them finalize the decision they have already made.

The final technique is the "minor point" close. This technique is appropriate when you have been presenting a variety of items or a single, complex product with many accessory features. For example, when presenting electrical parts to customers, they may have a number of small decisions to make...(about gauge of wiring, types of switches, recessed or surface lighting fixtures, etc).

To help customers when there are decisions to be made you might say something like:

"As you are thinking about a mower, I'd like to know if the optional grass bagger is something you would want."

Move from this to other issues for which you must legitimately have answers.

Minor point closes can be used throughout your presentations to help clarify what customers want to see so you won't waste time presenting unnecessary information. After a number of minor point questions, a summary close is very appropriate.

Now let's go back to where we started. What is the worst that could happen if you asked a closing question? Customers could raise objections...which, we have already said, are often nothing more than requests for more information. When you ask customers questions or encourage them to make decisions, you are serving as a friend and advisor. If it were easy to make decisions, there would be no need for salesmanship or advertising. It's not easy to make decisions... customers need your help.

If you are genuinely enthusiastic about your services and products, know how they work and the benefits that can come from using them, you'll be successful as a sales person. It's fun to see customers happy to get what they've wanted to buy.

To become good at all five techniques, use them one at a time and practice each for one week with as many customers as you can.

Two important things will happen. First, you'll become skilled in using a variety of closing techniques. Second, you'll be asking for sales more frequently. As a result, you will become a more polished, professional sales person.

## Suggestion and Related Item Selling

ave you noticed how people relax somewhat after they've made an important decision? This often happens in selling. After major decisions are made, people relax and are more willing to make additional small decisions.

For example, when customers decide to purchase lumber for deck repairs, they become more receptive to suggestions of other items like sealant, joist hangers and other things directly related to the product purchased.

Customers don't go soft in the head immediately after a purchase. If they came in with the intention of picking up an important item and only have money and a need for that single item, they won't suddenly buy everything in the store. Other customers may be aware they need a range, but have not given thought to the fact that they may need to bring the connections up to code.

This is where the term "suggestion selling" comes from. You will have dozens of opportunities every day to suggest other merchandise to complement items purchased by customers. Suggestion selling is nothing more than helping customers remember other items which may become important later.

It's a little bit like leaving your home for a vacation trip. Someone generally suggests a number of things to check before departure: lights off, doors locked, thermostat down...?

Suggestion selling can significantly increase sales. Customers, when offered specific suggestions, purchase additional items that have good profit margins to help the store (and you) as well as the customer.

Sadly though, a recent survey of customers showed that sales people almost never suggest related items. The survey showed: 29% of customers leave without buying anything...even the item for which they came. Perhaps we didn't speak first, ask questions, listen to objections; another 59% bought only the item they came for. That means only 12% bought at least one additional item...a related item, a sale item, an impulse purchase. WE CAN DO BETTER THAN THAT!

To be helpful, the suggestion has to be specific and directly related to the product just purchased. For example, when customers buy oil, say, "While I'm getting the oil, you may want to look at our filters." Or in lawn and garden center, "While I'm loading your shrubs you may want to look at the fertilizer and pesticides on sale now." Both offer customers an opportunity to look at something specifically related to the product just purchased.

Some customers enjoy looking at brochures while the order is being written or merchandise is delivered from the storeroom. Many customers will accept an offer to look at something when they will not accept a suggestion to choose something. When customers become interested in an item shown in a brochure or catalog, use the "merchandise approach." Say something like, "What you're looking at is our best..."

Suggestions demonstrate interest. Suggest things to make the job easier or the item work better.

Eliminate situations where customers are about two blocks from your store and remember, "Why didn't I grab a... Darn, I'm going to need some..."

Don't defeat the opportunity by wording your suggestion in the negative as, "You wouldn't need a filter today would you?" That kind of question encourages customers to say, "No".

Avoid vague, empty questions like, "*Anything else for you today?*" or "*Is that it?*" Neither of these offers a **specific** suggestion, and customers are not likely to buy more.

Spend some time looking at the items displayed in your selling area. Notice what items complement each other so you'll be prepared to point out logically related items.

You'll find suggestion selling easy. It's easier for customers to nod approval to additional items than to make more decisions. Remember from our lesson on closing sales, it is difficult for customers to make decisions. Once this psychological hurdle has been overcome, many customers tend to be somewhat more receptive to suggestions and therefore more frequently nod approval to suggestions of additional items.

Suggestion selling is also easy because in many cases you don't need to do a lengthy presentation on the added product. Customers may have questions, but it is often not necessary to re-ask many of the qualifying questions.

## **Telephone Courtesy**

housands of customers are "letting their fingers do the walking through the yellow pages." At your store, you may receive dozens of telephone inquiries each day. The image of you and your store can be made or saved by good telephone techniques.

Customers call stores for a variety of reasons. They call to make sure an item is in stock. They call to check prices. For whatever reasons customers call, it's a good sign. These customers could easily have decided not to call. The fact they call indicates they have some interest in your store.

#### THINK BEFORE YOU ACT

There are a few things you should do **before answering the phone**. Perhaps the most important is to **decide what to do if you are with a customer** in the store when the phone rings. If your situation with the "live" customer is such that you can courteously excuse yourself for a moment to answer the phone, do so and return quickly. On the other hand, it may be important to stay with your "live" customer if you're at a critical stage of presenting, dealing with objections or closing.

Next, prepare yourself to answer the phone. If you don't have a note pad and a pencil near the phone or workstation, get them before you answer. Often callers give a great deal of information in the first few seconds. If you don't write down the information, you're likely to miss something important and have to ask customers to repeat themselves.

Also, it is helpful to have brochures and copies of your store's current advertisement near the phone. A high percentage of calls will be "Do you have...?" calls. By having literature near the phone, you can answer these questions efficiently.

Finally, take a deep breath and smile before picking up the phone. Some sales people view telephone inquiries an irritation. Unless they clear their minds and put on a "happy face" before answering, their greetings may seem gruff. Although phone calls may be interrupting important work, adopt the attitude, "That's my job calling." In addition, even though callers cannot see your face, they can detect the pleasantness of your voice. Telephone companies and telemarketing consultants teach employees: when there is a smile on your face, there's almost always a smile in your voice. You actually sound different when you're smiling from when you aren't.

#### ANSWER QUICKLY, EFFICIENTLY AND CLEARLY

Generally, it is best to answer the phone by at least the third ring. Perhaps you have called a store, and the phone rang 16 or 18 times before being answered. The reason you know it was 16 or 18 is because as the number begins to ring all your attention becomes focused on the rings...and counting them. If the phone rings too many times, customers can become very irritated.

When you answer the telephone, include three elements in your greeting:

- 1. The name of your store
- 2. Your first name
- 3. A good opening question

You might say, "Ajax Store, this is Mary. How may I help you?" That takes only five seconds to say, but callers know they have reached the correct number, to whom they are speaking and get a sense of helpfulness.

Sometimes people answer the phone and mumble something like, "Parsdaparmun." Callers have little or no idea if they have reached the proper department. They often ask, "Is this the department that handles...?"

If you're answering the phone for someone else, follow the same rules. You could say, "Mr. Johnson's office. This is Peggy. How may I help you?" It is better to say, "So and so's office," than to say, "So and so's desk." "Office" sounds much more professional than "desk"...you've reached KAHUNA.

Speak directly into the mouthpiece and speak as distinctly as possible. Some people hold the mouthpiece down by their throat, making it difficult for customers to hear.

#### HANDLE ABSENCES AND TRANSFERS PROFESSIONALLY

When transferring inquiries to another person in your store, explain what you're doing and to whom you are transferring the call. **Avoid saying things like**:

"Just a minute. Let me look around."
"Hold on, I'll see what I can do."

#### Instead use statements like:

"It will take a minute or so for me to find that information. Do you care to wait or may I call you back?"

"I'll transfer your call to Mr. Smith now. One moment, please."

"Mrs. Brown is the person who has the information you need. I'm going to transfer your call to her. Please hold on one moment."

"I'm sorry. I'm new in this department. I will ask someone else for assistance. Would you care to hold while I get someone to answer your questions or would you prefer us to call you back in a moment?"

When you must leave the phone, check back with callers frequently. If you said it would take "a minute or two" to get information and it is taking longer, report back. Ask if they wish to continue to wait. You might say "I promised to be back to you in two minutes. It is taking me longer. Would you care to wait one more minute or would you prefer for me to call you right back?"

Two minutes waiting...on hold...can seem like foreevvvvvvvver.

If it becomes necessary to call for someone and your phone does not have a hold button, hold the phone away from your mouth and cover the mouthpiece with your hand. Some sales people page other employees with the mouthpiece still close to their mouth. In those situations the caller hears, "JIM, THERE'S A CALL FOR YOU ON LINE 1."

Move the phone away from your mouth so you don't yell into the mouthpiece. It is also important to move the phone away from your body to talk. Some people hold the mouthpiece to their chest. Your lungs echo sound and customers still hear virtually everything you say. "Mary, it's that jerk who lives north of town."

#### MAKE NOTES AND USE THEM

Begin immediately to write down names and information requested. As we said, many calls to your store are, "Do you have...?" calls. You may need to leave the phone and go to the merchandise area to see if you have the item. When you have notes, you are less likely to become confused, forced to return and ask customers to repeat.

Take your note pad to the merchandise area. If the item is small, bring it to the phone. If the item is too large to bring back to the phone, write down the more common information about the item such as current price, colors available, accessories in stock. When you return with the information originally requested, callers often ask for additional information. If you have made notes, you will be prepared to answer quickly and save time.

So often when you return to the phone and say:

"Yes, we do have that item in stock," Customers then ask additional questions:

"How much is it? Can you use it with? Is it available in more than one size?"

#### DON'T LEAVE THE PHONE UNATTENDED

**Sometimes employees assume "someone else" will answer the phone**. Perhaps others assume you are in the area. If you're going to be away, let others in the department know so they can answer the phone.

This also applies when you have answered the phone and must go to the merchandise section for information. Whenever possible, **let another employee know you've "answered line 1" and are going for information**. Other employees will not pick up the phone and say, "Have you been helped yet?" They will also know not to refer "live" customers to you.

If you have been away from the department, upon returning ask if there have been any calls. **Employees take phone messages and forget to pass them along.** If inquiries have come in your absence, as soon as possible, take a few moments to return the calls.

#### CONFIRM DETAILS AND CONCLUDE THE CALL COURTEOUSLY

When customers request specific information or say they will be in to pick up a particular item, confirm details before hanging up. Sales people can assume incorrect information. You might say:

"Mrs. Adams, let me confirm what we talked about. You are planning to come in early this afternoon for the three-gallon widget gizmo. I will have it waiting for you at the Service Desk with your name on it. Is there anything else?"

When customers confirm your information is correct, conclude the call professionally. Avoid saying things like:

"O.K., so long." "See you later." "Bye-bye."

Instead try:

"Thanks for calling us, Mrs. Jones. If you have any more questions, don't hesitate to call me."

#### **USE THE BUSINESS LINE FOR BUSINESS**

The telephone can be powerful tool in building good customer relations and business. It is a primary vehicle for customers to find information they need. For this reason, it is important for you to **limit use of the business phone for personal calls**.

Obviously, it is sometimes necessary to make personal calls from work. However, those sales people who make frequent or lengthy personal calls are tying up lines that could mean additional sales and earnings.

#### USE THE PHONE TO RING UP MORE SALES

Most customers enjoy talking to pleasant and helpful sales people. In this chapter, we've examined the importance of being prepared before answering the phone, smiling, speaking distinctly and professionally and offering to help the customer.

Some retail businesses are now installing Caller I.D. devices on phones so you can see the names and numbers of callers. Obviously a great help when you ask, "What was Mr. Smith's number?" Some stores that provide specialized items or services to a limited list of customers have computer terminals near phones so they can punch in the phone number of the caller and see the caller's purchase history displayed. Of course, this saves tons of time getting credit card information, shipping address, etc. Electronics however are only an aid to the live voice providing service.

Since customers can only hear your voice on the phone, such little things as using customers' names, giving simple/uncomplicated explanations and sprinkling the conversation with, "Please, thank you and you're welcome," make their inquiries more pleasant.

Many of the skills we discussed in other chapters apply to the telephone. When customers call with complaints, the same techniques can be used to take the heat out of callers' problems. When you are describing products, you can paint beautiful word pictures by using features, functions and benefits. When callers have objections, you can professionally handle them on the phone by using the four-step technique of exploring, understanding, accepting and converting with good questions and listening skills. Most important, remember to close the sale.

When the phone rings, ring up sales...with good techniques.

# Notes

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# Biographical Sketch--Bill Sharp



Bill Sharp is one of the most respected training consultants in our industry and the only sales trainer ever to be simultaneously endorsed by both the National Lumber and Building Material Dealers

Association and the North American Building Material Distributors

Association

Bill also travels coast to coast teaching a selling skills program for builders and remodelers...sponsored for them by their suppliers. He has twice been a featured speaker at the NAHB International Show.

Since becoming a Training Consultant more than 30 years ago, he has spoken at hundreds of conventions and personally conducted seminars in which more than 950,000 front line sales people learned how to better serve their customers.

His workshops for managers have won the praise major manufacturers, distributors and dealer associations because his programs are known for their fast pace, humor and easy to remember skills rather than psychological mumbo-jumbo and theory. Participants consistently say, "*He knows me and my customers. He talks about real situations exactly like I see every day.*"

Bill was formerly a salesman, manager and sales trainer for three Fortune 500 companies. He has been on the adjunct faculty of the University of Missouri, Park University and William Jewell College. He has also been a guest lecturer at several others.

Bill and his partners call themselves The PerCon Group (**PER**formance **CON**cepts For Management Excellence). They regularly conduct selling skills and sales management programs across the US and Canada, and sometimes in Western Europe and the Far East.



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